<u>E2SHB 1663</u> - S AMD TO WM COMM AMD (S-5144.1/22) **1420** By Senator Short

ADOPTED 03/04/2022

1 On page 19, after line 38, insert the following:

2 "Sec. 18. RCW 70A.65.260 and 2021 c 316 s 29 are each amended to 3 read as follows:

4 (1) The climate commitment account is created in the state 5 treasury. The account must receive moneys distributed to the account 6 from the climate investment account created in RCW 70A.65.250. Moneys 7 in the account may be spent only after appropriation. Projects, 8 activities, and programs eligible for funding from the account must 9 be physically located in Washington state and include, but are not 10 limited to, the following:

11 (a) Implementing the working families tax rebate in RCW 12 82.08.0206;

13 (b) Supplementing the growth management planning and 14 environmental review fund established in RCW 36.70A.490 for the purpose of making grants or loans to local governments for the 15 purposes set forth in RCW 43.21C.240, 43.21C.031, 36.70A.500, and 16 17 36.70A.600, for costs associated with RCW 36.70A.610, and to cover associated with the adoption of optional elements 18 costs of comprehensive plans consistent with RCW 43.21C.420; 19

(c) Programs, activities, or projects that reduce and mitigate impacts from greenhouse gases and copollutants in overburdened communities, including strengthening the air quality monitoring network to measure, track, and better understand air pollution levels and trends and to inform the analysis, monitoring, and pollution reduction measures required in RCW 70A.65.020;

(d) Programs, activities, or projects that deploy renewable
 energy resources, such as solar and wind power, and projects to
 deploy distributed generation, energy storage, demand-side
 technologies and strategies, and other grid modernization projects;

30 (e) Programs, activities, or projects that increase the energy 31 efficiency or reduce greenhouse gas emissions of industrial 32 facilities including, but not limited to, proposals to implement

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1 combined heat and power, district energy, or on-site renewables, such 2 as solar and wind power, to upgrade the energy efficiency of existing 3 equipment, to reduce process emissions, and to switch to less 4 emissions intensive fuel sources;

5 (f) Programs, activities, or projects that achieve energy 6 efficiency or emissions reductions in the agricultural sector 7 including:

8 (i) Fertilizer management;

9 (ii) Soil management;

- 10 (iii) Bioenergy;
- 11 (iv) Biofuels;

12 (v) Grants, rebates, and other financial incentives for 13 agricultural harvesting equipment, heavy-duty trucks, agricultural 14 pump engines, tractors, and other equipment used in agricultural 15 operations;

16 (vi) Grants, loans, or any financial incentives to food 17 processors to implement projects that reduce greenhouse gas 18 emissions;

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(vii) Renewable energy projects;

20 (viii) Farmworker housing weatherization programs;

21 (ix) Dairy digester research and development;

22 (x) Alternative manure management; and

23 (xi) Eligible fund uses under RCW 89.08.615;

(g) Programs, activities, or projects that increase energy efficiency in new and existing buildings, or that promote low carbon architecture, including use of newly emerging alternative building materials that result in a lower carbon footprint in the built environment over the life cycle of the building and component building materials;

(h) Programs, activities, or projects that promote the
 electrification and decarbonization of new and existing buildings,
 including residential, commercial, and industrial buildings;

(i) Programs, activities, or projects that improve energy efficiency, including district energy, and investments in market transformation of high efficiency electric appliances and equipment for space and water heating;

(j) Clean energy transition and assistance programs, activities, or projects that assist affected workers or people with lower incomes during the transition to a clean energy economy, or grow and expand

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1 clean manufacturing capacity in communities across Washington state 2 including, but not limited to:

3 (i) Programs, activities, or projects that directly improve 4 energy affordability and reduce the energy burden of people with 5 lower incomes, as well as the higher transportation fuel burden of 6 rural residents, such as bill assistance, energy efficiency, and 7 weatherization programs;

8 (ii) Community renewable energy projects that allow qualifying 9 participants to own or receive the benefits of those projects at 10 reduced or no cost;

(iii) Programs, activities, or other worker-support projects for 11 12 bargaining unit and nonsupervisory fossil fuel workers who are affected by the transition away from fossil fuels to a clean energy 13 economy. Worker support may include, but is not limited to: (A) Full 14 wage replacement, health benefits, and pension contributions for 15 every worker within five years of retirement; (B) full wage 16 17 replacement, health benefits, and pension contributions for every worker with at least one year of service for each year of service up 18 to five years of service; (C) wage insurance for up to five years for 19 workers reemployed who have more than five years of service; (D) up 20 to two years of retraining costs, including tuition and related 21 costs, based on in-state community and technical college costs; (E) 22 peer counseling services during transition; (F) employment placement 23 services, prioritizing employment in the clean energy sector; and (G) 24 25 relocation expenses;

(iv) Direct investment in workforce development, via technical
 education, community college, institutions of higher education,
 apprenticeships, and other programs including, but not limited to:

(A) Initiatives to develop a forest health workforce establishedunder RCW 76.04.521; and

(B) Initiatives to develop new education programs, emergingfields, or jobs pertaining to the clean energy economy;

33 (v) Transportation, municipal service delivery, and technology 34 investments that increase a community's capacity for clean 35 manufacturing, with an emphasis on communities in greatest need of 36 job creation and economic development and potential for commute 37 reduction;

38 (k) Programs, activities, or projects that reduce emissions from 39 landfills and waste-to-energy facilities through diversion of organic 40 materials, methane capture or conversion strategies, ((or other Code Rev/ML:jlb 3 S-5194.1/22 1 means)) installation of gas collection devices and gas control
2 systems, monitoring and reporting of methane emissions, or other
3 means, prioritizing funding needed for any activities by local
4 governments to comply with chapter 70A.--- RCW (the new chapter
5 created in section 19 of this act);

6 (1) Carbon dioxide removal projects, programs, and activities; 7 and

8 (m) Activities to support efforts to mitigate and adapt to the 9 effects of climate change affecting Indian tribes, including capital 10 investments in support of the relocation of Indian tribes located in 11 areas at heightened risk due to anticipated sea level rise, flooding, 12 or other disturbances caused by climate change. The legislature 13 intends to dedicate at least \$50,000,000 per biennium from the 14 account for purposes of this subsection.

15 (2) Moneys in the account may not be used for projects or 16 activities that would violate tribal treaty rights or result in 17 significant long-term damage to critical habitat or ecological 18 functions. Investments from this account must result in long-term 19 environmental benefits and increased resilience to the impacts of 20 climate change."

21 Renumber the remaining sections consecutively and correct any 22 internal references accordingly.

On page 20, beginning on line 8, after "70A.65.080" strike "and 70A.15.1010" and insert ", 70A.15.1010, and 70A.65.260"

<u>EFFECT:</u> Allows local governments to be eligible to receive funding from the climate commitment act to install gas collection devices and gas control systems.

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S-5194.1/22